

INTERNATIONAL CITY MANAGERS' ASSOCIATION
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COMPENSATION OF CITY COUNCILS AND BOARDS

What is the trend in compensating members of city councils and of boards and commissions and what factors should be considered in determining local policy on this question?

The gist of this report is that members of city councils, with the possible exception of those in the smallest cities, should receive some compensation. Whether members of boards and commissions should be paid depends on such factors as type of board, time required, etc.

City Councils. Some decades ago when cities were smaller and no great demands were made on their time, members of city councils generally were unpaid. Now, according to The 1947 Municipal Year Book, city councils are unpaid in only 6 per cent of the cities over 50,000, in 12 per cent of the cities of 25,000 to 50,000, and in 20 per cent of the cities between 10,000 and 25,000. The idea that a citizen should be willing to give freely of his time as a member of the city council is being abandoned by all except the smallest cities.

The trend toward smaller city councils and longer terms has brought with it the practice of paying councilmen. When two large cities recently adopted the council-manager plan the size of their councils was reduced, and the tradition of not paying members of the council was continued in one of the cities, Hartford, Connecticut, while Richmond, Virginia, abandoned the tradition in favor of paying councilmen \$100 per month.

The amount paid usually is fixed in the city charter and this probably accounts for the fact that only 19 cities over 5,000 increased councilmen's salaries in 1946. During 1947, however, 62 cities over 5,000 population increased the compensation for councilmen and only one reported a decrease. Thirty-three of these cities have populations of more than 10,000 and 29 are between 5,000 and 10,000. Alameda, California, for example, now pays \$480 a year as compared to no compensation last year. Among other cities that increased salaries for councilmen were Alhambra, California; Bay City, Michigan; Bend, Oregon; Compton, California; Durham, North Carolina; Grand Junction, Colorado; and Ironwood, Michigan. Evanston, Illinois, raised its compensation from \$500 to \$780, Philadelphia from \$5,000 to \$7,500, and Sacramento, California, from \$300 to \$1,200. A complete list of the cities making salary changes last year will appear in the 1948 Municipal Year Book.

Nominal salaries are the rule in mayor-council and council-manager cities as shown in the following table which is based on data that will appear in The 1948 Municipal Year Book to be issued in June. This table shows median annual salaries as of January 1, 1948. The median figure for 2,016 cities over 5,000 regardless of form of government is \$200. The amount paid in each city is shown each year in The Municipal Year Book.

The most common methods used in paying councilmen are a fixed amount per year or a fixed amount per meeting with a limit on the total amount per year.

(OVER)

In the field of county government it is fairly uniform practice on a statewide basis to pay members of county governing boards a per diem salary plus certain expenses when county boards are in session. In four widely scattered states the compensation is \$5 per day and in one state \$6 per day.

MEDIAN ANNUAL SALARIES OF COUNCILMEN AS OF JAN. 1, 1948

| <u>Population Group</u> | <u>Mayor-Council</u> | <u>Council-Manager</u> | <u>Commission</u> | <u>All Cities</u> |
|-------------------------|----------------------|------------------------|-------------------|-------------------|
| Cities over 500,000.... | \$3,500 | (none) | (none) | \$3,500 |
| 250,000 to 500,000..... | 1,100 | \$1,500 | \$6,000 | 3,000 |
| 100,000 to 250,000..... | 510 | 980 | 4,350 | 760 |
| 50,000 to 100,000..... | 500 | 430 | 3,550 | 600 |
| 25,000 to 50,000..... | 300 | 300 | 2,000 | 600 |
| 10,000 to 25,000..... | 150 | 120 | 1,200 | 200 |
| 5,000 to 10,000..... | 100 | 66 | 600 | 120 |
| All cities over 5,000.. | 120 | 150 | 1,200 | 200 |

Boards and Commissions. With regard to administrative boards and commissions, the trend for several decades has been toward abolishing such agencies, but where they are retained it is not necessary to adopt a uniform policy that would apply alike to all types of boards. Members of boards who devote full time to the work, as in the case of some agencies at the federal, state, and large-city levels, should of course be paid adequate compensation for their services.

At the other end of the scale are ex officio boards and advisory boards and commissions the members of which should not be paid for their services as members of such boards. Perhaps from one-half to three-fourths of the boards and commissions in city government are of an advisory nature and hold meetings irregularly or once a month or only upon call. Most of these boards are appointed by the mayor and compensation is not necessary or even desired by citizens who are asked to serve on them.

Between these extremes are some boards whose members may be paid nominal amounts. This would be especially true with respect to examining or licensing boards, zoning board of appeals, and perhaps other boards. A typical example of current practice with regard to paying boards is found in Buffalo where 12 out of 17 boards are unpaid. In San Jose, California, the planning commission, library board, and civil service commission are unpaid, but the latter may be paid by the council up to \$15 per month.

An analysis of practice shows that the tradition of unpaid boards is almost universally observed:

1. Housing Authorities. More than 300 cities have set up housing authorities but in only one city, Boston, are the members of such agencies paid for their services. In most states there is a specific provision in the law requiring that housing board members shall serve without pay and the National Association of Housing Officials has recommended that this policy should be uniformly adopted.

2. Library Boards. The almost universal rule is that library trustees are not compensated for their services. The only known exception is Los Angeles where the charter adopted in 1925 provides for a per diem payment of \$5 with a maximum of \$50 per month. This provision was adopted or incorporated into the charter not on behalf of the library board but because the charter framers wanted

to provide entirely uniform provisions for all administrative boards of the city. Among the professional public librarians this single exception of Los Angeles is "a matter of regret."

3. School Boards. Boards of education in less than 20 per cent of the cities are unpaid, according to the National Education Association. A textbook on public school administration by Ward G. Reeder, published in 1941, states: "All students of school administration believe that school board members should not be paid a salary. Moreover, the best board members do not desire to be paid; they regard the position as an opportunity for public service rather than as an opportunity for financial gain." The American Association of School Administrators in its twenty-fourth year book published in 1946 entitled "School Boards in Action" states that "The payment of salaries for work on a school board has been tried, often with disastrous results...The most important evil result ... is that they (members) will try to earn the salaries. There is no way in which a board member can feel he is earning a salary except to attempt to do the detailed work that the board pays the trained superintendent and his staff to do."

4. Personnel Boards. Civil service commissions or personnel boards receive no payment for their services in at least 50 per cent of the cities in the country having such agencies. A nominal fee per meeting is paid members of such agencies in approximately 40 per cent of the cities, and annual salaries are paid in approximately 10 per cent of the cities, according to the Civil Service Assembly. For example, in the latter group the city of Detroit pays members of the civil service commission \$2,400 a year.

5. Planning Commissions. Of the hundreds of official planning commissions in the country, the members of less than one-half dozen agencies receive any pay for their services. In fact, the ordinances creating city planning commissions generally state specifically that members of the commission shall receive no compensation for their services. The Suggested City Planning Enabling Act, which has been widely followed, states specifically: "All members of the commission shall serve as such without compensation."

6. Zoning Boards of Appeal. The suggested Model Zoning Law states: "The compensation of members of said board shall be as fixed by said chief legislative body (city council)." In actual practice, however, members of boards of zoning appeals in less than one-half of the cities with such agencies receive compensation for their services, according to the American Society of Planning Officials. The practice in Wichita, Kansas, and Rochester, New York, is typical and in both cities the zoning ordinance states that no member of the board of zoning appeals shall receive any compensation for his services.

7. Recreation Boards. Many cities have administrative recreation boards or commissions composed of five or seven members and almost without exception the members of such agencies receive no compensation for their services, according to the National Recreation Association.

8. Examining Boards. Most such boards serve without pay but practice varies widely. Buffalo, for example, does not pay the examining boards for barbers, electricians, and hairdressers, but members of the plumbers board get \$657 a year each. In the field of state government the great majority of boards and commissions are unpaid, but generally members of examining boards are paid a per diem of \$10, \$15, or other amount for the days they actually spend upon the work of the board, plus certain specified expenses.

Factors to Consider. Among the factors to consider in determining the policy for any given city are:

1. How much time does the work require? Councilmen in small cities where the council meets only once or twice a month in the evenings may be expected to serve without compensation. The duties of the office are not arduous, require only a few hours time, and generally do not interfere with the councilman's regular business or profession. The same is true with regard to members of boards and commissions. But where the meetings are held during working hours or a considerable amount of time is required some provision for compensation would seem justifiable. In the larger cities a councilman may spend a great deal of time not only at council meetings but also in committee meetings, hearings, and investigations, and the pay should be commensurate with the job. To insist that the council serve without pay means that only persons of the leisure class will find it possible to serve. Moreover, the public should not expect a handful of men on the council to give an unusual amount of their time to city affairs. To some extent this same principle can be applied to membership on certain boards and commissions.

2. What is the local tradition for public service? Have any representatives of labor or other groups refused to serve or found it impossible to serve because of the fact that little or no compensation is available? It is sometimes charged with good reason that unpaid boards are generally composed of the more conservative and well-to-do elements in the community. If the board should be representative of the various elements in the community or if the fact that it is unpaid keeps certain classes of citizens from accepting appointment, then the city would be justified in providing for some payment.

3. What is the nature of the duties of the board or commission? The great majority of boards are appointed by the mayor or council and in many cities have advisory functions only. Among such boards are the planning and civil service commissions, and library, health, school, airport, housing, and recreation agencies. There are few if any good reasons for paying members of such boards. Some of these boards, especially those elected by the people, may be classed as administrative boards and may on such grounds receive nominal compensation. An administrative board is one that appoints the administrative head, determines policies, adopts its own budget, and in a sense is autonomous.

4. Will the amount of the compensation encourage councilmen or board members to devote an unusual amount of time to administration? In some cities one of the best arguments for an unpaid board is that such an agency will tend to leave administrative duties to the appointed administrative head. Thus the compensation for councils and for boards and commissions (where the council determines that certain boards should be paid), should be nominal in amount. The salary of councilmen and board members should never be sufficient to attract people solely for the compensation involved, and thus tend to eliminate or destroy the public service element. At the same time, the amount should be large enough to compensate in part at least for the time that the citizen must take from his own business or profession to devote to prescribed official duties. If the salary is more than is justified the result in some cities will be that citizens who are willing to work at the salaries offered will take political action to secure the appointment.

Note: For further information on boards see Public Management for May, 1946, pp.135-39, and November, 1946, pp.331-35. See also MIS Report No. 38 for June, 1947 entitled "Relations of Council and Chief Administrator to Boards and Commissions".